

Order 96-3-60

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

SERVED: March 27, 1996

Issued by the Department of Transportation
on the 27th day of March, 1996

In the matter of

COMPAGNIE NATIONALE AIR FRANCE

Docket 45406

ORDER

Summary

In this order we are rescinding an earlier action under Part 213 of the Department's regulations disapproving portions of the 1996 summer schedules of service to the United States of Compagnie Nationale Air France (Air France).¹

Background

By Order 96-3-43, served March 21, 1996, we notified Air France under Part 213 of the Department's regulations that we were disapproving portions of Air France's 1996 summer schedules of service to the United States.² Order 96-3-43 precluded Air France from operating, or holding out to the public in any manner that it does operate, during any calendar week during the period April 1-October 31, 1996, scheduled passenger service frequencies (including extra sections) between the United States and France in excess of those contained in the 1995 Summer Schedules or the 1995/96 Winter Schedules (whichever is greater) that it filed with the Department. We took that action in response to France's refusal to permit the United States to replace carriers which have suspended services on specific routes, or to permit U.S. airlines to increase frequencies in the U.S.-France market in their summer schedules.

Recent Discussions

On March 26, 1996, representatives of the United States and France met in Paris to

¹ Air France holds foreign air carrier permits issued by Orders 76-2-25 and 81-8-135 .

² By Order 88-1-48, the Department directed Air France to file with the Department existing and proposed schedules for all U.S. services. That schedule filing requirement remains in effect .

explore possibilities for the two countries to begin negotiations toward a new bilateral aviation relationship. At the conclusion of the discussions, both sides agreed to an exchange of benefits under which they would approve the 1996 Summer Schedules of service in the U.S.-France market for each other's carriers. In addition, under the exchange, the United States may select a new U.S. carrier to perform daily combination services in the Boston-Paris market, effective immediately. Finally, the United States and France agreed to enter into discussions in the near future leading to negotiations to establish a formal aviation relationship.

Decision

We have decided to vacate Order 96-3-43 and thereby rescind our action disapproving portions of Air France's 1996 Summer Schedules of service to the United States.³ Our action has the effect of allowing Air France to implement its schedules in full. In view of the exchange of benefits reached in Paris on March 26, 1996, which resolves the immediate concerns of the United States and France, we find that the public interest warrants allowing Air France to implement its proposed Summer 1996 season (April 1-October 31) schedule which Air France filed with the Department on February 15, 1996.

ACCORDINGLY,

1. We vacate Order 96-3-43, disapproving portions of the 1996 summer schedules of service to the United States of Compagnie Nationale Air France (Air France);
2. We will serve a copy of this order on Compagnie Nationale Air France; American Airlines, Inc.; Continental Airlines, Inc.; Delta Air Lines, Inc.; Trans World Airlines, Inc.; Northwest Airlines, Inc.; United Air Lines, Inc.; USAir, Inc.; Tower Air, Inc.; Federal Express Corporation; Amerijet International, Inc.; Emery Worldwide Airlines, Inc.; DHL Airways, Inc.; Evergreen International, Inc.; Challenge Air Cargo, Inc.; World Airways, Inc.; Air Transport International, Inc.; United Parcel Service, Inc.; the Ambassador of France in Washington, D.C.; the Federal Aviation Administration and the

³ The schedule filing requirement imposed on Air France in Order 88-1-48 remains in effect.

Department of State (Office of Aviation Negotiations).

By:

CHARLES A. HUNNICUTT
Assistant Secretary for Aviation
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(SEAL)

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